

Bryan W. Shaw, Ph.D., P.E., *Chairman*  
Toby Baker, *Commissioner*  
Jon Niermann, *Commissioner*  
Richard A. Hyde, P.E., *Executive Director*



## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

March 30, 2017

The Honorable Dan Patrick  
Lieutenant Governor of Texas  
Capitol Station  
PO Box 12068  
Austin, Texas 78711

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

Senate Bill (SB) 976, as Filed by Senator Brian Birdwell - Relating to the dissolution of the Falls County Water Control and Improvement District No. 1.

Dear Governor Patrick:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

This bill also: effects the dissolution of Falls County Water Control and Improvement District No. 1 (District) and the transfer of assets and obligations; the bill specifies that on the effective date of this Act, the District is dissolved and has no legal authority to take any action, and the transfer of the assets and obligations of the District to the City of Marlin (City) is authorized. The City bears the responsibility of: transferring the title of the assets of the District to the City; and assuming the obligations of the District; and, House Bill 2213 by Rep. Kacal is the companion to this proposed bill.

Sincerely,

A handwritten signature in black ink, reading "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director  
Water Supply Division

cc: Honorable Eddie Lucio, Jr., Chairman, Senate Intergovernmental Relations Committee  
Senator Brian Birdwell, Texas Senate

LETTER OF TRANSMITTAL  
TEXAS SENATE  
STATE OF TEXAS

SB 976

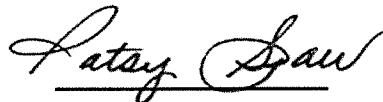
Bill Number

TO: The Honorable Governor of Texas  
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

2/22/2017

Date transmitted to  
Governor's Office

  
Secretary of the Senate

TO: Texas Commission on Environmental Quality  
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

March 3, 2017

Date transmitted to  
Texas Commission on Environmental Quality

  
Governor

TO: The Honorable President of the Senate  
The Honorable Speaker of the House of Representatives  
The Honorable Governor of Texas  
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.

  
Texas Commission on Environmental Quality

By: Birdwell

S.B. No. 976

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the dissolution of the Falls County Water Control and  
3 Improvement District No. 1.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. DEFINITIONS. In this Act:

6 (1) "City" means the City of Marlin.

7 (2) "District" means the Falls County Water Control  
8 and Improvement District No. 1.

9 SECTION 2. LEGISLATIVE FINDINGS. The legislature finds  
10 that:

11 (1) the citizens of the district approved the creation  
12 of the district for the purpose of developing a flood control  
13 program;

14 (2) the district entered into an agreement with the  
15 city and other parties to acquire the property rights necessary for  
16 the construction of three flood retention structures that are  
17 related to the Brushy Creek reservoir and the district acquired  
18 those property rights;

19 (3) the district and the city expended public funds  
20 towards the completion of the project in accordance with the terms  
21 of the agreement between the parties, including approximately \$3.5  
22 million spent by the city on the project as of the effective date of  
23 this Act;

24 (4) the city is relying on the Brushy Creek reservoir

1 and the related flood control structures to meet future water  
2 supply needs;

3 (5) the board of the district voted to dissolve the  
4 district and the citizens of the district confirmed the intent to  
5 dissolve the district at an election, and the law is unclear on the  
6 disposition of the district's assets in the event of dissolution;

7 (6) the district's primary assets are the easements  
8 acquired under the terms of the agreement with revenue from  
9 taxation and those easements are essential to the completion of the  
10 Brushy Creek reservoir project by the city;

11 (7) the Brushy Creek reservoir is included in the 2017  
12 state water plan as a regional water supply source and should be  
13 completed;

14 (8) the territory of the district will benefit by the  
15 completion of the reservoir; and

16 (9) in the interest of public health and welfare, to  
17 help ensure an adequate water supply for present and future needs,  
18 to fulfill the will of the citizens of the district to dissolve the  
19 district and end the collection of ad valorem taxes, and to secure  
20 the investment of public funds already incurred for the project,  
21 all assets and obligations of the district should be transferred to  
22 the city and the district dissolved.

23 SECTION 3. DISSOLUTION OF DISTRICT AND TRANSFER OF ASSETS  
24 AND OBLIGATIONS. (a) On the effective date of this Act, the  
25 district is dissolved and has no legal authority to take any action,  
26 and the transfer of the assets and obligations of the district to  
27 the city is authorized. The city bears the responsibility of:

1           (1) transferring the title of the assets of the  
2 district to the city; and

3           (2) assuming the obligations of the district.

4           (b) The county clerk of Falls County, the commissioners  
5 court of Falls County, and any district court with jurisdiction  
6 over a matter related to the provisions of this Act shall take  
7 notice of this Act as an authorization to transfer the title of the  
8 assets to the city and assume the obligations of the district on  
9 application or petition by the city.

10          SECTION 4. NOTICE. (a) The legal notice of the intention  
11 to introduce this Act, setting forth the general substance of this  
12 Act, has been published as provided by law, and the notice and a  
13 copy of this Act have been furnished to all persons, agencies,  
14 officials, or entities to which they are required to be furnished  
15 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
16 Government Code.

17          (b) The governor, one of the required recipients, has  
18 submitted the notice and Act to the Texas Commission on  
19 Environmental Quality.

20          (c) The Texas Commission on Environmental Quality has filed  
21 its recommendations relating to this Act with the governor, the  
22 lieutenant governor, and the speaker of the house of  
23 representatives within the required time.

24          (d) All requirements of the constitution and laws of this  
25 state and the rules and procedures of the legislature with respect  
26 to the notice, introduction, and passage of this Act are fulfilled  
27 and accomplished.

S.B. No. 976

1       SECTION 5. EFFECTIVE DATE. This Act takes effect  
2 immediately if it receives a vote of two-thirds of all the members  
3 elected to each house, as provided by Section 39, Article III, Texas  
4 Constitution. If this Act does not receive the vote necessary for  
5 immediate effect, this Act takes effect September 1, 2017.

**LEGAL NOTICE**  
Pursuant to Article XVI, Section 59, Texas Constitution, notice is hereby given of the intention to introduce in the 85th Legislature, Regular Session, a bill to be entitled an Act relating to the dissolution of the Falls County Water Control and Improvement District No.1, which bill will effectuate the dissolution of the district and the disposition of its assets and obligations.

**Publisher of the  
Waco Tribune-Herald**

Before me, a notary public, on this day personally appeared Ana Lozano-Harper and after being duly sworn, states that she is a Multi Media Sales Manager of the Waco Tribune Herald, a newspaper published in Waco, McLennan County, Texas, and that the Notice, a copy of which is hereto attached, was published in said newspaper on the following named dates,  
to-wit:

01/20/2017

The First Insertion being given ... 01/20/2017

Newspaper reference: 0000333105

Sworn to and subscribed before me this day: 1/20/17

Notary Public

Multi Media Sales Manager

State of Texas  
Waco, McLennan County  
My Commission expires

